JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)

Office of Acquisition Operations Technology Acquisition Center

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- 2. <u>Description of Action</u>: The proposed action is for a firm-fixed price delivery order (DO) to be issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) V Government Wide Acquisition Contract (GWAC) for brand name Cisco Systems (Cisco) hard drives, solid state drives, and associated hardware.
- 3. Description of the Supplies or Services: The Department of Veterans Affairs (VA), Office of Information and Technology, Service Delivery and Engineering, Enterprise Systems Engineering, requires brand name Cisco hard drives, solid state drives, and associated hardware. This hardware equipment, combined with 10 Cisco servers previously acquired by VA, shall provide for expansion in supporting efforts to bolster authenticating elevated user privileges by VA personnel in connecting to servers, workstations, or laptops through its SafeNet Authentication Manager (SAM) infrastructure. SAM is a two-factor authentication solution for VA information technology (IT) administrators to protect against malicious agents fraudulently posing as VA IT administrators. VA IT administrators have a second Non-Mail Enabled Account (NMEA) which is permissioned with elevated rights to manage IT systems. IT administrators log onto their workstations with a mail-enabled, non-privileged account using their Personnel Identification & Verification smart card. Once logged in, the IT administrator accesses any IT administrative roles using separate NMEA credentials, ensuring authentication. This hardware infrastructure procurement requires a quantity of 20 brand name Cisco MegaRAID 9271CV storage controllers with 8 internal Statistical Analysis System (SAS)/Serial Advanced Technology Attachment (SATA) ports with Supercap, 80 brand name Cisco 400GB 2.5 inch Enterprise Performance SAS solid state drives, 10 Cisco 1.2TB 6G SAS 10K Cable Kits, and 40 Cisco SAS/SATA Cable Kits for C240 M3 24 drive backplanes. The total estimated value of the proposed action is REDACTED, which includes delivery of all hardware items within 30 days of DO award and 12-months of original equipment manufacturer (OEM) standard hardware warranties for the hard drives and solid state drives.
- 4. <u>Statutory Authority</u>: The statutory authority permitting an exception to fair opportunity is Title 41U.S.C. Section 4106(c)(2) as implemented by the Federal Acquisition Regulation (FAR) Subpart 16.505(b)(2)(i)(B), entitled "Only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized".

- 5. Rationale Supporting Use of Authority Cited Above: Based on market research, as described in section eight of this justification, it was determined that limited competition is available among authorized resellers of the required Cisco hardware. VA currently possesses 10 Cisco servers that are to be repurposed and deployed with the Cisco hard drives, solid state drives, and associated hardware into the authentication infrastructure. In order to expand the current infrastructure, VA requires servers, hard drives, solid state drives, and associated hardware that is interoperable and compatible with the existing infrastructure to enable VA to support and adequately secure mission critical information. The present authentication solution infrastructure is installed and operational. Any other brand of hardware equipment other than Cisco will result in interoperability, compatibility, and performance degradation issues. Specifically, the existing brand name Cisco hardware infrastructure has proprietary drive mounts; non-Cisco drive mounts do not have the required drive mount to fit into a Cisco server chassis. Also, brand name Cisco hardware has proprietary Cisco connectors and non-Cisco drives will not fit in these servers. VA could not operate its authentication solution by purchasing equipment that is incompatible with its existing infrastructure. Cisco hard drives, solid state drives, and associated hardware are the only hardware components that will provide uninterrupted access, complete interoperability, and scalability with the existing Cisco server platform. Failure to procure these devices could pose unacceptable risk to VA's network security posture.
- 6. Efforts to Obtain Competition: Market research was conducted, details of which are in section eight of this justification. This effort did not yield any additional sources that can meet the Government's requirements. It was determined however, that limited competition is viable among authorized resellers for these brand name hard drives, solid state drives, and associated hardware. In accordance with FAR 5.301 and 16.505(b)(2)(ii)(D), notice of award of this action will be synopsized and this justification will be made publicly available on the Federal Business Opportunities Page within 14 days of award. This justification shall also be posted with the solicitation on the NASA SEWP V website for review by prospective offerors.
- 7. Actions to Increase Competition: The Government will continue to review and revalidate its requirements as infrastructure hardware devices continue to evolve. VA will continue to research and monitor whether there are emerging products that enter the marketplace that are interoperable and compatible with its current authentication architecture and will monitor other hardware product offerings to determine if an entirely new solution could meet VA's future requirements.
- 8. Market Research: Market research was conducted by VA technical experts in July 2016. The market research was conducted by a review of industry websites and analysis of similar product offerings. This included a review to confirm if other brand name products, including Samsung, Western Digital Technologies, Inc. (WDT), or Hitachi Ltd. could meet the Government's functional and technical requirements. As stated in section five, the review of existing brand name Cisco hardware infrastructure determined that the drive mounts and connectors were proprietary to Cisco and that other OEMs cannot provide hardware products that are interoperable and compatible

with VA's existing Cisco server authentication infrastructure. VA Subject Matter Experts regularly review industry trade publications and conduct internet research to ascertain if any other product solutions are available which could be interoperable and compatible with the existing infrastructure. Based on the market research, the Government's technical team concluded that only brand name Cisco hard drives, solid state drives, and associated hardware can provide for the required hardware equipment for VA's current authentication solution.

Additional market research was conducted in July 2016 by utilizing the NASA SEWP V Market Research Tool. It was determined that there are numerous NASA SEWP V GWAC holders that are authorized resellers that can provide the required Cisco hard drives, solid state drives, and associated hardware under North American Industry Classification System code 541519. Therefore, limited competition is anticipated for the requirements described herein.

9. Other Facts: None.